

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
JULY 19, 2010**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, July 19, 2010.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Mike Harder – Secretary
Doug Schulte – Water Commissioner
Alex Emmons – Wastewater Commissioner
Greg A. Krodel – Gas Commissioner
Ken Sendelweck – Electric Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Michael A. Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (**DVD-00:41)

Chairman Wayne Schuetter led the Pledge of Allegiance.

QUOTE OPENING: SERVICE TRUCK – ELEC. DISTRIBUTION (DVD-1:01)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

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|----|----------------------------------|-------------|-----------|
| 1. | Bob Luegers Motors
Jasper, IN | \$36,994.00 | Net quote |
|----|----------------------------------|-------------|-----------|

The quote included a non-collusion affidavit.

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|----|--------------------------|-------------|-----------|
| 2. | Ruxer Ford
Jasper, IN | \$39,440.00 | Net quote |
|----|--------------------------|-------------|-----------|

The quote included a non-collusion affidavit.

3.	Sternberg, Inc.	\$52,235.00	
	Jasper, IN	<u>- 12,090.00</u>	trade-in
		\$40,145.00	

The quote included a non-collusion affidavit.

4.	Uebelhor & Sons	\$42,138.00	list price
	Jasper, IN	\$36,138.00	price w/trade-in

The quote included a non-collusion affidavit.

Jerry Schitter asked to take the quotes under advisement and report back at the next meeting. Ken Sendelweck made a motion to take the quotes under advisement. Rick Stradtner seconded the motion. Motion approved, 7-0.

QUOTE OPENING: MANHOLE RE-LINING – WASTEWATER (DVD-6:25)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	Spectra Shield Liner Systems	\$339.00 per vertical foot
	Stoughton, WI	

The quote included a non-collusion affidavit.

2.	Advanced Rehabilitation Technology	\$300.00 per vertical foot
	Bryan, OH	

The quote included a non-collusion affidavit.

3.	Spectra Tech, LLC	\$260.00 per vertical foot
	Noblesville, IN	

The quote included a non-collusion affidavit.

Ed Hollinden asked to take the quotes under advisement. Rick Stradtner made a motion to take the quotes under advisement and report back at next month's meeting. Mike Harder seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (DVD-8:30)

(Alex Emmons left the room at 7:10 PM.) Chairman Wayne Schuetter presented the minutes of the June 21, 2010, Regular Meeting and there being no corrections or amendments, asked for a motion to approve. Doug Schulte made a motion to approve the minutes of the June meeting as presented. Greg Krodel seconded the motion. Motion approved, 6-0.

PUBLIC BUSINESS: OUT OF CITY WATER & SEWER CONNECTIONS (DVD-9:03)

Ken Brosmer from Brosmer Land Surveying was present on behalf of Steve and Deandra Stenftenagel, who want to sell the southwest corner of their property on A Street to their

daughter and son-in-law. The couple wants to build a home there and needs permission to hook on to the City water and sewer connections. (Alex Emmons returned to the meeting at 7:13 PM.)

They will be extending water and sewer lines as necessary to the property. The developer will be paying the cost for the extensions and there will be no cost to the City. Ed Hollinden, Wastewater Manager, and Mike Oeding, Gas and Water Manager, are both agreeable to the extensions.

Sandy Hemmerlein said the extensions would also be subject to recording a signed annexation waiver, which Brosmer said he already has a signed copy. The waiver just needs recorded. The property is 1.38 acres in size.

Mike Harder made a motion to approve the applications for sewer and water connections requested by Steve and Deandra Stenftenagel, subject to signing and recording an annexation waiver. Rick Stradtner seconded the motion. Motion approved, 7-0.

PUBLIC BUSINESS: VACATION OF EASEMENT (DVD-17:48)

Ken Brosmer also asked the Board to consider recommending the vacation of a 12 foot platted easement in the Hopf and Dick First Addition. He was present on behalf of owners, Chris and Bernita Heim, Donna Thewes, Jarrett and Darla Beck, and Mike and Victoria Lueken.

Brosmer said there was a jog in the property lines about half way through the subdivision, but the easement kept running straight through the subdivision. There is currently nothing in the easement and the entire subdivision is already developed so there should be no need for using this easement in the future. To the south of these properties is another subdivision, Catherine Estates, in which there is a 20 foot easement, where all of the utilities lie.

All of the Utility Managers were agreeable to the vacation of the 12 foot easement. Doug Schulte made a motion to recommend to the Common Council to approve the vacation of the 12 foot easement through Lots 1 through 4 in the Hopf and Dick First Addition. Alex Emmons seconded the motion. Motion approved, 7-0.

RESIGNATION OF LINEMAN (DVD-26:11)

Jerry Schitter reported that one of his linemen resigned to take a different job. Schitter said he wants to fill the position, but with the part-time help he is receiving from the Power Plant employees, he is willing to hold off on filling that position. He will come back to the Board in the future when he is ready to permanently fill the position.

PLANT RUN FOR MISO (DVD-27:45)

Windell Toby stated that once a year they are required by MISO to run the plant in order to continue receiving the Capacity Payment from IMPA. The Power Plant will run for one day and take readings each hour so MISO knows how much the plant puts out. Toby plans to run one day during the second week of August. This has to be completed by the end of August.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-28:34)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee met on July 15th and received an extensive overview on the three proposals that were received by the deadline of July 1st on the Power Plant project. There has also been more interest in the project since the deadline. After the Committee met, it was their consensus that we should allow more time to become familiar with what is in these proposals, as well as extending the RFP deadline to allow more proposals to be turned in if they have any interest in the project.

Sendelweck also explained that Bud Hauersperger is setting up a library process for those people who want to review the proposals received. The City and Utility Service Board have an obligation to keep portions of the proposals confidential. There will be a check-out process for those wanting to review the proposals.

The Committee wants to recommend extending the RFP deadline to August 6th. The Committee also wants to propose a tentative schedule in order to keep on track with the goal of making a decision on the Power Plant by the end of the year. Tentatively, the next Electric Committee meeting will be on August 11th at 8:00 AM to review any final RFP submissions received. Then a Special Executive Session will be held jointly with the Utility Service Board and Common Council on August 24th at 1:00 PM to pick the firms to interview and get more detailed presentations from. A second all-day joint Executive Session will be scheduled on September 13th or 15th to interview the firms chosen to give detailed presentations. Finally a public hearing will be scheduled in late September or early October in order to allow enough time to make a decision by year end.

Chairman Schuetter strongly advised all Board members to read through all of the proposals and to direct any questions about the proposals to Bud Hauersperger so he can get the answers back from the specific firms if they happen to be scheduled to make a formal presentation in Executive Session.

Ken Sendelweck made a motion to extend the RFP deadline to August 6th. Alex Emmons seconded the motion. Motion approved, 7-0.

PERMISSION TO HIRE ENGINEERING FIRM FOR SLUDGE DISPOSAL PERMIT (DVD-35:11)

Mike Oeding stated he would like to get the Board's permission to get quotes from engineering firms for help obtaining a sludge disposal permit.

The current sludge disposal permit expired in February and it was for disposal in the old landfill. An exception letter off of that permit was obtained to dump at the old Hochgesang site. The landfill is now closed so another area needs to be found to dump the sludge.

Oeding worked with Commonwealth Engineering and got some possible options for sludge disposal, but would now like to seek quotes and further ideas from other engineering firms as well. An engineering firm will be needed to do the necessary testing in order to obtain a permit.

The permit is needed by next fall. Oeding said he can dump one more time this fall under the exception letter, but will need a new permit to dispose of the sludge next year.

Alex Emmons made a motion to allow Mike Oeding to seek quotes from engineering firms for testing and obtaining a new sludge disposal permit. Doug Schulte seconded the motion. Motion approved, 7-0.

JUNE 2010 PUMPING TOTALS VS. JUNE 2009 PUMP TOTALS (DVD-38:44)

Oeding informed the Board that the pump totals in June 2009 were 61,084,000 gallons and in June of 2010, they were 66,600,000 gallons. Chemical costs were also significantly lower than last year. June 2009 chemical costs were \$40,000 due to the excessive rain. June 2010 chemical costs were only \$6,000.

GAS PLANNING COMMITTEE REPORT (DVD-40:12)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-40:34)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

TERRACE AVENUE PROJECT (DVD-40:40)

Ed Hollinden stated he still has one customer that needs their sewer line repaired on Terrace Avenue. The customer asked for an extension and was granted one. He is continuing to make progress and Hollinden expects him to be fixed by the end of July.

Hollinden hopes to have numbers put together for next month's Utility Service Board meeting to summarize the costs of the project and the improvement in the area.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-41:20)

Alex Emmons, Chairman of the Wastewater Committee, stated the committee did not meet during the past month.

GAS COST OF SERVICE STUDY (DVD-41:26)

Bud Hauersperger said he went back to Kerry Heid and JDG Consulting and asked for a "not to exceed" price to perform the gas cost of service study that London Witte recommended after the rate study was completed. Gaines is from Georgia and Heid is from Newburgh, Indiana.

JDG's proposal was not to exceed \$21,500 and Heid's proposal was not to exceed \$25,000. Both gentlemen work on an hourly rate. JDG's hourly rate was \$190 for himself and \$125 for his associate. Kerry Heid's hourly rate is \$175.

Hauersperger said he reviewed both proposals and their qualifications and due to Heid's experience in the local area and his lower hourly rate, he recommends using Kerry Heid. Greg Krodel made a motion to approve Kerry Heid's not to exceed price of \$25,000 to perform a gas

cost of service study, contingent upon receiving an acceptable contract and certificate of insurance. Rick Stradtner seconded the motion. Motion approved, 7-0.

UPDATE ON EDA GRANT FOR BEAVER LAKE DAM PROJECT (DVD-48:26)

Bud Hauersperger said the EDA grant process is progressing quickly. EDA has finalized a cost estimate for the project. This new cost estimate changed the City's matching portion of the cost. The Mayor had to sign a letter and overnight it to EDA saying the City will be able to cover the matching cost, contingent upon the Utility Service Board and Common Council's approval of those funds.

Sandy Hemmerlein presented Resolution #USB 2010-12, regarding an additional commitment of utility funds to the Beaver Creek Lake Dam project. The total project cost is now \$3,274,000. The City's matching portion has increased to a total of \$1,045,360. This portion increased by \$165,776 from the last Resolution that was approved. The additional commitment is due to adding the cost of fixing the intake tower issue and other miscellaneous issues that were included.

In the past, an Ordinance was passed by the Common Council approving a loan from the Electric Distribution Department to the Water Department to cover the matching funds. At this time, Oeding and Hauersperger feel the Water Department will be able to cover the additional \$165,776 commitment.

Hemmerlein said the City will still be able to apply for the OCRA grant after we hear back from EDA on our grant application.

Doug Schulte made a motion to approve Resolution #USB 2010-12, approving the additional commitment of \$165,776 and recommending to the Common Council to approve this additional commitment as well. Ken Sendelweck seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-55:56)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Greg Krodel made a motion to approve the claims as presented. Alex Emmons seconded the motion. Motion approved, 7-0.

WASTEWATER GRANT INFORMATION (DVD-56:29)

Sandy Hemmerlein said a grant application was sent in to OCRA on July 1st, applying for funds for the wastewater project in the Skyline Subdivision. OCRA plans to award grants in September, but depending on the number of applications received, this could be delayed somewhat.

Lisa Gehlhausen has since informed us that Community Focus Funds are also available for this project. The applications are due on October 2nd. They require that a notice of intent letter be sent in by August 13th. Two public hearings are also required and one public hearing needs to be done before August 13th deadline and the other before the October 2nd deadline.

Hemmerlein said we are trying to get ourselves in a position that if we do find out in September about the OCRA funds that we would be ready to apply for the Community Focus Funds in October. Only \$600,000 can be requested from the Community Focus Funds. This would leave the City with over \$200,000 coming from Wastewater funds.

In order to meet the deadlines, the Common Council will hold a public hearing on August 9th at 6:00 PM in the Council Chambers. Hemmerlein strongly suggested the Utility Service Board members attend.

There being no further business to come before the Board, the meeting was adjourned at 8:02 PM upon motion by Alex Emmons and second by Rick Stradtner. Motion approved, 7-0.

The minutes were hereby approved _____ with _____ without corrections this _____ day of _____, 2010.

Attest: _____
Secretary Chairman

**Audio tape did not record – refer to DVD for questions.